

2SSB 5662 - H COMM AMD

By Committee on State Government & Tribal Affairs

NOT ADOPTED 04/05/2011

1 Strike everything after the enacting clause and insert the
2 following:

3
4 "NEW SECTION. **Sec. 1.** A new section is added to chapter 39.04 RCW
5 to read as follows:

6 (1) The department of general administration must conduct a survey
7 to determine which states provide a preference for its resident
8 contractors bidding on public works projects, and provide details on
9 the type of preference, the amount of the preference, and how the
10 preference is applied. The survey must be completed by November 1,
11 2011, and by December 1, 2011, the department must submit a report to
12 the appropriate committees of the legislature on the results of the
13 survey. The report must also include recommendations necessary to
14 implement the intent of this act.

15 (2) The department of general administration must distribute the
16 results of the survey, along with the requirements of this act, to all
17 state and local agencies with the authority to procure public works.
18 The department must adopt rules and procedures to implement the
19 reciprocity requirements in subsection (3) of this section.

20 (3) In any bidding process for public works in which a bid is
21 received from a non-resident contractor from a state that provides a
22 percentage bidding preference, a comparable percentage disadvantage
23 must be applied to the bid of that non-resident contractor. This
24 subsection does not take effect until the department of general
25 administration has adopted the rules and procedures for reciprocity
26 under subsection (2) of this section.

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1 (4) A non-resident contractor from a state that provides a
2 percentage bid preference means a contractor that:

3 (a) Is not registered or licensed, or otherwise legally authorized
4 to perform public works construction in Washington; and

5 (b) At the time of bidding on a public works project, does not
6 have a physical office located in Washington.

7 (5) The state of residence for a non-resident contractor shall be
8 the state in which the contractor was incorporated or, if not a
9 corporation, the state where the contractor's business entity was
10 formed.

11 (6) This section does not apply to public works procured pursuant
12 to RCW 39.04.155, RCW 39.04.280, or any other procurement where
13 competitive bidding is exempt.

14
15 NEW SECTION. **Sec. 2.** If any part of this act is found to be in
16 conflict with federal requirements that are a prescribed condition to
17 the allocation of federal funds to the state or municipality, the
18 conflicting part of this act is inoperative solely to the extent of
19 the conflict and with respect to the agencies or municipalities
20 directly affected, and this finding does not affect the operation of
21 the remainder of this act in its application to the agencies and
22 municipalities concerned. Rules adopted under this act must meet
23 federal requirements that are a necessary condition to the receipt of
24 federal funds by the state and municipalities."

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26 Correct the title.

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EFFECT: Strikes the underlying bill and makes the following
changes: eliminates the two-step survey process; requires a report
of the survey, along with recommendations necessary to implement the
intent of the act to be submitted to the appropriate committees of
the Legislature by December 1, 2011; requires that a non-resident
contractor from a state that provides a percentage preference

receive an equitable percentage disadvantage to his or her bid; and requires the Department of General Administration to adopt rules and procedures to implement reciprocity provisions and clarifies that reciprocity provisions do not apply until rules and procedures are adopted.

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